

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 2012

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EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
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LAKE PROVIDENCE, LOUISIANA
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INDEPENDENT AUDITOR'S REPORT

Beatrice Carter
East Carroll Parish Clerk of Court
East Carroll Parish Courthouse
Lake Providence, Louisiana

I have audited the accompanying financial statements of the governmental activities and the major fund of the East Carroll Parish Clerk of Court as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the East Carroll Clerk of Court. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the East Carroll Clerk of Court, as of June 30, 2012, and the changes in financial positions for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 4 through 8, and pages 29 through 30, respectively, are not a required part of the basic financial statements but are supplementary information required by the *Governmental Accounting Standards Board*. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other reports listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the East Carroll Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 20, 2012, on my consideration of the Clerk of Court's internal control over financial reporting and my tests of its compliance with certain provisions of laws. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in black ink, appearing to read "David R. Paul". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Tallulah, Louisiana
November 20, 2012

REQUIRED SUPPLEMENTAL INFORMATION

PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

As Management of the East Carroll Clerk of Court (the Clerk), we offer readers of the Clerk's financial statements this narrative overview and analysis of the financial activities of the Clerk as of and for the year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the Clerk's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

The assets of the Clerk exceeded its liabilities at June 30, 2012, by \$173,907 (net assets).

The Clerk's net assets decreased by \$39,766 as a result of this year's operation.

Total net assets are comprised of the following:

Capital assets of \$2,048 which includes property and equipment, net of accumulated depreciation and related debt.

Unrestricted net assets of \$171,859 represent the portion available to maintain the Clerk's continuing obligations to citizens and creditors.

At June 30, 2012, the Clerk's governmental funds consist solely of the Clerk's general fund. The Clerk's governmental funds reported a total ending fund balance of \$248,007 a decrease of \$14,607. The entire fund balance is unassigned and available for spending at the Clerk's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the Clerk's basic financial statements. In accordance with GASB No. 34, the Clerk's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements of the Clerk report information about the Clerk using accounting methods similar to those used by private sector companies. They present the financial picture of the Clerk from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Clerk (including capital assets) as well as all liabilities (including long-term obligations).

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)
Government-wide Financial Statements. (cont.)

The Statement of Net Assets presents information on all of the Clerk's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Clerk is improving or deteriorating.

The Statements of Activities presents the current year's revenues and expenses and other information showing how the Clerk's net assets changed during the year. The change in net assets is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements are presented on pages 10 and 12 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Clerk are categorized as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and Government Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Clerk maintains one individual governmental fund - the general fund. The Clerk adopts an annual appropriated budget for the general fund, and a budgetary comparison schedule is provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements are also presented on pages 10 and 12 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Management's Discussion and Analysis
Page Three

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Clerk's budget presentation. The general fund's budgetary comparison schedule is included as "required supplementary information." Required supplementary information is information that the accounting rules strongly suggest be presented within the Clerk's financial report. This schedule demonstrates compliance with the Clerk's adopted and final revised budget.

The Clerk's net assets at June 30, 2012, are summarized as follows:

The largest components of the Clerk's total assets are: (1) cash and investments of \$274,274 or 91%. Of the Clerk's total liabilities, the largest component is OPEB payable of \$65,261 or 52%.

As noted earlier, net assets (total assets less total liabilities) may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Clerk's net assets totals \$173,907. A portion of the Clerk's net assets reflects its investments in capital assets (e.g., building, land, and equipment). Capital assets are non-liquid assets and cannot be utilized to satisfy the Clerk's obligations. The unrestricted net assets of the Clerk are available for future use.

The following table reflects a condensed statement of the Clerk's net assets as of June 30, 2012, and 2011:

	Governmental-Type Activities	
	June 30, 2012	June 30, 2011
Assets		
Current & other assets	\$ 297,938	\$ 291,798
Capital assets	2,048	2,579
Total Assets	<u>299,986</u>	<u>294,377</u>
Liabilities		
Other liabilities	49,931	29,184
Long-term liabilities	76,148	51,520
Total Liabilities	<u>126,079</u>	<u>80,704</u>
Net Assets		
Invested in capital assets, net	2,048	2,579
Unrestricted	171,859	211,094
Total Net Assets	<u>\$ 173,907</u>	<u>\$ 213,673</u>

Governmental activities decreased net assets by \$39,766 for the year ended June 30, 2012.

Key elements of the analysis of government-wide revenues and expenses reflect the following:

The Clerk is heavily dependent on courts costs and recording fees to support its operations. Court costs and recording fees provided 46% and 43%, of the Clerk's total revenues, respectively. The Clerk's operations are heavily staff oriented. As a result, employees salaries and benefits make up approximately 76% of the total expenses.

Management's Discussion and Analysis
Page Four

The following is a summary of the statement of activities:

	2012	2011
Revenues		
Program revenue	\$ 494,866	\$ 549,789
General revenue	1,148	1,060
Total Revenue	<u>496,014</u>	<u>550,849</u>
Expenses		
Program expenses	<u>535,780</u>	<u>456,024</u>
Total Expenses	<u>535,780</u>	<u>456,024</u>
Increase (Decrease) in Net Assets	(39,766)	94,825
Net Assets - beginning	<u>213,673</u>	<u>118,848</u>
Net Assets - ending	<u>\$ 173,907</u>	<u>\$ 213,673</u>

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial statements of the Clerk present its General Fund. The General Fund is the Clerk's operating fund and the source of day-to-day service delivery. The General Fund is useful in assessing the resources available at the end of the year in comparison with upcoming requirements.

At June 30, 2012, the Clerk's General Fund balance (total assets less total liabilities) totaled \$248,007. The Clerk's unassigned fund balance decreased by \$14,607 in 2012.

Total operating revenues reflect a 10% (\$54,923) decrease in 2012 as compared to 2011 due primarily to a decrease in court costs, fees and charges.

Total operating expenses increased by 19% (\$81,240) from 2011 to 2012. The most significant increase in expenses occurred in personal services which increased by \$46,447.

GENERAL BUDGETARY ANALYSIS

The Clerk employs formal budgetary integration as a management control device during the year. Budgeted amounts included in the Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual (Budgetary Basis) include the original adopted budget amounts and the final amended budget amounts. Original budgets for each year are adopted on or before June 30, of the year preceding the budget year. The original budget is based on estimated revenues, estimated expenses, and other financial information known to the Clerk at the time of the adoption of the budget. Amendments to the original budget are made throughout the year as changes in operations, in expected funding levels, and in estimated expenditures occur. The final amended budget is prepared at the time the Clerk anticipates no additional significant increases or decreases in revenues and expenses for the year and no expected changes in operations.

Management's Discussion and Analysis
Page Five

The difference between the final amended budgeted revenues and actual revenues for the year ended June 30, 2012, totaled \$4,853, a 1% negative variance. The actual expenditures were less than the final amended budgeted expenditures for the year ended June 30, 2012, by \$434, a 0.08% positive variance.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

Capital Assets

At the end of June 30, 2012, the Clerk had invested in various capital assets, including equipment, and furniture. The capital assets are summarized below:

Depreciable assets:	
Furniture and equipment	\$ 68,911
Less Accumulated Depreciation	(66,863)
Book-Value of Depreciable Assets	<u>\$ 2,048</u>

ECONOMIC FACTORS AND FUTURE OUTLOOK

The Clerk's budgeted revenues and expenditures for 2013 are comparable to 2012's actual revenues and expenditures. The Clerk does not anticipate any changes in its day-to-day operations that will have a material effect on its 2013 budget.

CONTACTING THE CLERK'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Clerk's finances and to show its accountability for the money it receives. If you have question about this report or need additional financial information, contact Beatrice Carter, at the Clerk's office, East Carroll Parish Courthouse, Lake Providence, Louisiana 71254, or call at (318) 559-2399.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
GOVERNMENTAL FUNDS BALANCE SHEET /
STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>General Fund</u>	<u>Adjustments Note (1)</u>	<u>Statement of Net Assets</u>
Assets			
Cash and investments	\$ 274,274	\$ -	\$ 274,274
Receivables	19,248	-	19,248
Prepaid expense	4,416	-	4,416
Capital assets (net)	<u>-</u>	<u>2,048</u>	<u>2,048</u>
Total Assets	<u>297,938</u>	<u>2,048</u>	<u>299,986</u>
Liabilities			
Current Liabilities			
Accounts, salaries, and other payables	44,474	-	44,474
Deferred revenue	5,457	-	5,457
Long-term Liabilities			
Compensated absences payable	-	10,887	10,887
OPEB payable	<u>-</u>	<u>65,261</u>	<u>65,261</u>
Total Liabilities	<u>49,931</u>	<u>76,148</u>	<u>126,079</u>
Fund Balances			
Unassigned, reported in General Fund	<u>248,007</u>	<u>(248,007)</u>	<u>-</u>
Total Fund Balances	<u>248,007</u>	<u>(248,007)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 297,938</u>		
Net Assets			
Invested in Capital Assets, net of related debt		2,048	2,048
Unrestricted		<u>171,859</u>	<u>171,859</u>
Total Net Assets		<u>\$ (74,100)</u>	<u>\$ 173,907</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund balances, Total governmental funds (Exhibit A)		\$ 248,007
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	\$ 68,911	
Less accumulated depreciation	<u>66,863</u>	2,048
Long-Term Debt:		
Uncompensated absences		(10,887)
OPEB payable		<u>(65,261)</u>
Net Assets of Governmental Activities (Exhibit A)		<u>\$ 173,907</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES / STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>General Fund</u>	<u>Adjustments (Note 1)</u>	<u>Statement of Activities</u>
Expenditures/Expenses			
General government			
Personal services	\$ 391,315	\$ 24,628	\$ 415,943
Operating services	9,867	-	9,867
Materials and supplies	85,698	-	85,698
Travel and other charges	14,693	-	14,693
Intergovernmental	9,048	-	9,048
Depreciation	-	531	531
Total expenditures/expenses	<u>510,621</u>	<u>25,159</u>	<u>535,780</u>
Program Revenues			
Charges for services:			
Court costs, fees, and charges	225,218	-	225,218
Fees for recording legal documents	212,212	-	212,212
Fees for certified copies of documents	2,379	-	2,379
Charges for use of photocopier	26,986	-	26,986
Elections	6,234	-	6,234
Licenses and permits	21,837	-	21,837
Total revenue	<u>494,866</u>	<u>-</u>	<u>494,866</u>
Net program revenue	(15,755)	(25,159)	(40,914)
General Revenues			
Interest income	<u>1,148</u>	<u>-</u>	<u>1,148</u>
Excess of Revenues Over Expenditures	(14,607)	(25,159)	-
Change in Net Assets	-		(39,766)
Fund Balance/Net Assets:			
Beginning of Year	<u>262,614</u>		<u>213,673</u>
Ending of Year	<u>\$ 248,007</u>		<u>\$ 173,907</u>

The accompanying notes are an integral part of the financial statement.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT,
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total governmental funds (Exhibit C)	\$ (14,607)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$531) exceed capital outlays (\$0) in the current period.	(531)
The long-term obligation of compensated absences payable increased by \$4,699 in the current period, but was not recorded as an expenditure on governmental funds because it is not expected to be paid from current assets.	(4,699)
The Statement of Activities recorded unfunded cost of post employment medical insurance cost (OPEB) in the current year, but will not be recorded in Governmental funds until actually paid.	<u>(19,929)</u>
Change in Net Assets of Governmental Activities, Exhibit C	<u><u>\$ (39,766)</u></u>

The accompanying notes are an integral part of this financial statement.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
STATEMENT OF NET ASSETS, FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Advance Deposit Fund	Registry Of Court Fund	Total
Assets			
Cash and cash equivalents	\$ 50,594	\$ 22,224	\$ 72,818
Investments	35,427	-	35,427
Total Assets	<u>86,021</u>	<u>22,224</u>	<u>108,245</u>
Liabilities			
Accounts payable	13	-	13
Unsettled deposits	86,008	22,224	108,232
Total Liabilities	<u>\$ 86,021</u>	<u>\$ 22,224</u>	<u>\$ 108,245</u>

The accompanying notes are an integral part of the financial statements.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

INTRODUCTION

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four year term.

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Clerk have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999. Certain of the significant changes in the Statement include the following:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the Clerk's overall financial position and results of operations;
2. Financial statements prepared using full accrual accounting for all of the Clerk's activities; and
3. A change in the fund financial statements to focus on the major funds.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the East Carroll Parish Police Jury is the financial reporting entity for East Carroll Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the East Carroll Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

**EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. REPORTING ENTITY (cont.)

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Clerk of Court is an independently elected official; however, the Clerk of Court is fiscally dependent on the East Carroll Parish Police Jury. The police jury maintains and operates the parish courthouse in which the Clerk's office is located and provides funds for equipment and furniture of the Clerk's office. The Clerk was determined to be a component unit of the East Carroll Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Clerk and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Clerk uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk functions and activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Governmental Funds

Governmental funds account for all or most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to fund the from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs of operations of the Clerk. The following are the Clerk's governmental funds:

General Fund - The primary operating fund of the Clerk, it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Clerk's policy.

Fiduciary Funds - Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Clerk are agency funds. The agency funds account for assets held by the Clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$1,000.00 or more for capitalizing capital assets.

Capital assets and related expenses are recorded in the Statement of Net Assets and Statement of Activities, respectively, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Furniture and Fixtures	5-10 years
Vehicles	4-5 years

E. FUND EQUITY

Beginning with fiscal year 2011, the Clerk implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes by the Clerk itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Clerk takes the same highest level action to remove or change the constraint.

Assigned Fund Balance - amounts the Clerk intends to use for a specific purpose. Intent is expressed by the Clerk of Court.

Unassigned Fund Balance - amounts that are available for any purpose. These amounts are reported only in the general fund.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. FUND EQUITY (cont.)

Beginning fund balances for the Clerk's governmental funds have been restated to reflect the above classifications.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Clerk considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk has provided otherwise in his commitment or assignment actions.

F. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Exhibits A and C use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Recording, cancellations, court attendance, criminal costs, etc. are recorded in the year in which they are earned. Interest income on investments is recorded as it is earned through the use of accruals. Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognizable under the modified accrual basis of accounting when the related fund liability is incurred, except for compensated absences, which are recognized when paid.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Exhibit A) and the column labeled Statement of Activities (Exhibit C) display information about the Clerk as a whole. These statements include all the financial activities of the Clerk. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States of America, or under the laws of the United States of America.

H. BUDGETARY PRACTICES

The Clerk of Court has the following budgetary practices:

The annual budget is adopted using the prior years revenues and expenditures as a guide. The budget is reviewed and adjusted every six months for extraordinary revenues or expenditures. The budget presented in the accompanying financial statements is shown on the GAAP basis of accounting.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. All annual appropriations lapse at the year end.

I. INVESTMENTS

If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At June 30, 2012, all of the Clerk's investments were certificates of deposit with original maturities in excess of 90 days.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

J. COMPENSATED ABSENCES

The Clerk of Court has the following policy related to vacation and sick leave:

Employees accrue 10 days annual leave each year and 12 days sick leave each year. There is no limit on the accumulation of annual leave, but a 30 day limit on sick leave. Upon retirement or death, employees are paid for all unused annual and sick leave.

The Clerk's recognition and measurement criteria for compensated absences is as follows:

1. The employee's rights to receive compensation are attributable to services already rendered.
2. It is probable that the Clerk will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.
3. An accrual for earned sick leave is made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals. The Clerk estimates its accrued sick leave based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The current portion of the liability for compensated absences is reported in the fund financial statements. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is adjusted into the entity-wide column on Exhibits A and C.

At June 30, 2012, employees of the Clerk of Court had accumulated and vested employee leave benefits of \$10,887. Of this amount, \$0 is recorded as an obligation of the General Fund and \$10,887 is recorded as long-term obligations in the entity-wide statements.

K. RISK MANAGEMENT

The Clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Clerk maintains commercial insurance policies covering her automobile, professional liability and surety bond coverage.

In addition to the above policies, the Clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

L. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Clerk to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND CASH EQUIVALENTS

As reflected in the Financial Statements, the East Carroll Parish Clerk of Court had cash and cash equivalents totaling \$287,092, at June 30, 2012. The bank balances at June 30, 2012, were \$312,270, of which \$244,349 was insured from loss by FDIC insurance and \$67,921 was secured by the pledge of securities. Cash and investments are stated at cost which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on the deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

NOTE 3 - INVESTMENTS

At June 30, 2012, the Clerk had investments totaling \$95,427 which included only certificates of deposits, each having an original maturity in excess of 90 days from the date acquired. The investments are in the name of the Clerk and are held at the Clerk's office. These investments are covered by FDIC.

Following are investments of the Clerk at year end categorized to give an indication of the level of risk assumed by the Clerk. Category 1 includes investments that are insured by FDIC insurance. Category 2 included investments for which the securities are held by the financial institution's trust department or agent in the name of the Clerk.

Certificate of deposit:	Carrying Amount <u>Fair Value</u>
Category 1	\$ 95,427
Category 2	-
Total	<u>\$ 95,427</u>

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 4 - RECEIVABLES

The General Fund receivables of \$19,248 at June 30, 2012, are as follows:

Advance deposit fund	\$ 6,768
Recording	489
Xerox copies	62
Criminal fees - Police Jury	11,905
Other	24
Total	<u>\$ 19,248</u>

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

The following schedule presents changes in capital assets for the year ended June 30, 2012:

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Capital assets being depreciated:				
Vehicles	\$ 21,033	\$ -	\$ 21,033	\$ -
Equipment	68,911	-	-	68,911
Total capital assets being depreciated	<u>89,944</u>	<u>-</u>	<u>21,033</u>	<u>68,911</u>
Less:				
Accumulated depreciation	<u>87,365</u>	<u>531</u>	<u>21,033</u>	<u>66,863</u>
Total capital assets being depreciated, net	<u>\$ 2,579</u>	<u>\$ (531)</u>	<u>\$ -</u>	<u>\$ 2,048</u>

NOTE 6 - PENSION PLAN

Substantially all employees are members of the Clerks of Court Retirement and Relief Fund, a multiple-employer Public Employee Retirement System (PERS), controlled and administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions retire at or after age 55 and receive the benefits accrued to their date of termination. The System provides death and disability benefits. Benefits are established by state statute.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 6 - PENSION PLAN (cont.)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Clerk of Court Retirement & Relief Fund, 11745 Bricksome Avenue, Suite B2, Baton Rouge, Louisiana, 70816, or by calling (225) 293-1162.

Funding Policy. Plan members are required by state statute to contribute 8.25% of their annual salary and the Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 17.25% of annual covered payroll. Contributions to the System also include one-fourth of one percent of the tax rolls of each parish. The contribution requirements of plan members and the Clerk are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Clerk's contributions to the System for the years ending June 30, 2012, 2011, and 2010, were \$45,367, \$38,726, and \$29,551, respectively, equal to the required contributions for each year.

NOTE 7 - DEFERRED COMPENSATION PLAN

Plan Description. The East Carroll Parish Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Clerk employees, permits the employees to defer a portion of their salary until future years. The Clerk matches 100% of employee contributions. The Clerk's contribution to the plan amounted to \$10,550 and \$7,741 for the years ended June 30, 2012, and 2011, respectively. The deferred compensation is not available to employees until termination, retirement, death or proof of hardship.

All amounts of compensation deferred under the plan, all property rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participant's rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 8 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The Clerk's long-term obligations are as follows for the year ended June 30, 2012:

	Compensated Absences	OPEB	Total
Balance, June 30, 2011	\$ 6,188	\$ 45,332	\$ 51,520
Additions	4,699	34,125	38,824
Deletions	-	(14,196)	(14,196)
Balance, June 30, 2012	<u>\$ 10,887</u>	<u>\$ 65,261</u>	<u>\$ 76,148</u>

NOTE 9 - LITIGATION AND CLAIMS

The Clerk is not involved in any litigation at June 30, 2012, nor is it aware of any unasserted claims.

NOTE 10 - HEALTH AND LIFE INSURANCE BENEFITS

The Louisiana Clerk of Court Association provides health care and life insurance benefits for its employees. Substantially, all of the Clerk's General Fund employees are covered by the Louisiana Clerk of Court Association Insurance Program. During the year ended June 30, 2012, the General Fund paid for those benefits.

NOTE 11- POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Clerk's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent *multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.*

Funding Policy. The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT board of trustees. The Clerk contributes 100% of the cost of the current-year premiums for eligible retired plan members and 0% of the cost for retired plan members' spouses and dependent children. For fiscal year 2012, the Clerk contributed \$14,196 to the plan and the retirees contributed \$0.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 11- POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

Annual OPEB Cost and Net OPEB Obligation. For 2012, the Clerk's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Clerk's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	\$ 33,931
Interest on Net OPEB Obligation	1,813
Adjustment to Annual Required Contribution	<u>(1,619)</u>
Annual OPEB Cost (Expense)	34,125
Contributions Made	<u>(14,196)</u>
Increase in Net OPEB Obligation	19,929
Net OPEB Obligation - beginning of year	<u>45,332</u>
Net OPEB Obligation - end of year	<u><u>\$ 65,261</u></u>

The Clerk's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

<u>Fiscal Year End</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2010	\$ 33,931	30.1%	\$ 23,717
6/30/2011	\$ 34,033	36.5%	\$ 45,332
6/30/2012	\$ 34,125	41.6%	\$ 65,261

Funded Status and Funding Progress. As of June 30, 2009, the actuarial accrued liability for benefits was \$433,462, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$244,580, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 177.2%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 11- POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009, actuarial valuation, the entry age actuarial cost method was used. Based on the Clerk's short-term investment portfolio, a discount rate of 4.0% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5.5% after 10 years. The Clerk's unfunded actuarial liability is being amortized as a level percentage of projected payroll on an open basis over 30 years.

NOTE 12 - EXPENSES OF THE CLERK PAID BY THE PARISH POLICE JURY

Certain operating expenditures of the Clerk's office are paid by the parish police jury. The Police Jury paid the electric bills for the Clerk's office, and provided office space. None of these expenses are included in the financial statements.

NOTE 13 - CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	June 30, 2011	Unsettled Deposits		June 30, 2012
		Additions	Reductions	
Agency Funds	\$ 91,466	\$ 135,054	\$ 140,512	\$ 86,008
Registry of Court Fund	291,087	71,899	340,762	22,224
Total	<u>\$ 382,553</u>	<u>\$ 206,953</u>	<u>\$ 481,274</u>	<u>\$ 108,232</u>

NOTE 14 - FIDUCIARY FUND TYPE - AGENCY FUNDS

Advance Deposit Fund - As provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed against litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of Court Fund - As provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

EAST CARROLL PARISH CLERK OF COURT
GOVERNMENTAL FUND-GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
REVENUES				
Xerox	\$ 63,000	\$ 27,000	\$ 26,986	\$ (14)
Recording	187,000	208,550	212,212	3,662
Cancellation	3,200	1,350	1,360	10
Mortgage certificates	1,000	1,825	1,148	(677)
Marriage licenses	900	1,130	1,138	8
Notary	4,050	4,740	4,738	(2)
Certified copies	2,800	2,300	2,379	79
Suits	1,000	-	-	-
Court attendance	800	1,030	1,029	(1)
Non-support (State)	25,000	29,840	26,381	(3,459)
Criminal fees	118,200	77,010	75,892	(1,118)
Advanced deposit	101,000	105,400	104,972	(428)
Interest	1,000	1,050	1,148	98
Elections	7,500	6,250	6,234	(16)
Clerk's supplemental	21,000	20,700	20,700	-
Other revenue	7,325	6,392	3,405	(2,987)
Birth certificates	3,500	6,300	6,292	(8)
Total revenues	<u>548,275</u>	<u>500,867</u>	<u>496,014</u>	<u>(4,853)</u>
EXPENDITURES				
Salaries:				
Salary & elections	128,054	127,700	127,696	4
Deputies	124,000	128,500	141,594	(13,094)
Other wages	5,000	6,300	6,308	(8)
Fringe Benefits:				
Group insurance	41,100	52,100	55,638	(3,538)
Clerk's retirement	60,000	51,940	45,367	6,573
Deferred compensation	16,000	11,100	10,550	550
Medicare/FICA	2,200	19,000	3,806	15,194
Workers compensation	2,650	2,360	4,356	(1,996)
Operating Services:				
Marriage license	400	350	374	(24)
Universal Commercial Code	41,000	40,100	40,366	(266)
Material Supplies:				
Office	38,400	44,050	40,958	3,092
Clerk's suppl. fund	2,340	2,600	2,595	5
Microfilm	1,500	-	-	-
Travel & Other Charges:				
Convention	4,000	8,900	4,018	4,882
Auto (Gas, Insurance, Supplies)	3,000	7,640	8,080	(440)
Elections	4,000	4,200	4,208	(8)
Birth certificates	3,000	3,620	3,861	(241)
Miscellaneous	1,500	595	1,798	(1,203)
Capital outlay:				
Automobile & office equip.	5,000	-	-	-
Intergovernmental transfer	42,000	-	9,048	(9,048)
Total expenditures	<u>525,144</u>	<u>511,055</u>	<u>510,621</u>	<u>434</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 23,131</u>	<u>\$ (10,188)</u>	<u>(14,607)</u>	<u>\$ (4,419)</u>
FUND BALANCE-BEGINNING			<u>262,614</u>	
FUND BALANCE-ENDING			<u>\$ 248,007</u>	

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF FUNDING PROGRESS FOR EMPLOYEE HEALTH CARE PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Actual Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UALL as a Percentage of Covered Payroll</u>
6/30/2009	\$ -	\$ 433,462	\$ 433,462	0.0%	\$ 244,580	177.2%

OTHER SUPPLEMENTAL SCHEDULES

PART III

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF CHANGES IN FIDUCIARY UNSETTLED DEPOSITS
FOR THE YEAR ENDED JUNE 30 , 2012

	Advance Deposit Fund	Registry Of Court Fund	Total
Additions:			
Deposits:			
Suits and successions	\$ 135,054	\$ 71,820	\$ 206,874
Interest earnings of investments	-	79	79
	<u>135,054</u>	<u>71,899</u>	<u>206,953</u>
Total additions			
	<u>135,054</u>	<u>71,899</u>	<u>206,953</u>
Reductions:			
Clerk's costs	104,972	-	104,972
Settlements to litigants	11,938	340,762	352,700
Attorney, curators and notorial fees	450	-	450
Witness, appraisers, keepers, etc.	10,264	-	10,264
Sheriff's fees	12,888	-	12,888
	<u>140,512</u>	<u>340,762</u>	<u>481,274</u>
Total reductions			
	<u>140,512</u>	<u>340,762</u>	<u>481,274</u>
Change in Unsettled Deposits	(5,458)	(268,863)	(274,321)
Unsettled Deposits - Beginning	<u>91,466</u>	<u>291,087</u>	<u>382,553</u>
Unsettled Deposits - Ending	<u>\$ 86,008</u>	<u>\$ 22,224</u>	<u>\$ 108,232</u>

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Beatrice Carter
East Carroll Parish Clerk of Court
East Carroll Parish Courthouse
Lake Providence, LA 71254

I have audited the financial statements of the East Carroll Parish Clerk of Court, as of and for the year ended June 30, 2012, and have issued my report thereon dated November 20, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered East Carroll Parish Clerk of Court's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of Court's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Clerk of Court's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses, as defined above. However, I identified one deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as item #12-1 that I consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Page Two

East Carroll Parish Clerk of Court
State of Louisiana
Tallulah, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the East Carroll Clerk of Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Clerk of Court, management, others within the organization, and applicable State Auditors and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Tallulah, Louisiana
November 20, 2012

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

I have audited the basic financial statements of the East Carroll Parish Clerk of Court as of and for the year ended June 30, 2012, and have issued my report thereon dated November 20, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2012, resulted in an unqualified opinion. The following is a summary of my audit observations on internal control, tests of compliance, and findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*:

A. SUMMARY OF AUDIT RESULTS**1. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses ____ Yes X No Significant Deficiency X Yes ____ No

Compliance

Compliance Material to Financial Statements ____ Yes X No**2. Federal Awards - N/A**

Internal Control

Material Weaknesses ____ Yes ____ No Reportable ____ Yes ____ No

Type of Opinion On Compliance
For Major ProgramsUnqualified ____
Disclaimer ____Qualified ____
Adverse ____

Are their findings required to be reported in accordance with circular A-133, Section .510 (a)?

____ Yes ____ No

Was a management letter issued?

____ Yes ____ No

3. Identification of Major Programs:CFDA Number(s)Name of Federal Program (or Cluster)N/ADollar threshold used to distinguish between Type A and Type B Programs: N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133?

____ Yes ____ No

B. FINANCIAL STATEMENTS FINDINGS

- 12-1. *Segregation of duties - Due to limited personnel, the Clerk's office does not have an adequate segregation of duties regarding its accounting and reporting system to maintain a complete system of internal control.*

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

Section I. Internal Control and Compliance Material to the Financial Statements

11-1. Segregation of duties - Due to limited personnel, the Clerk's office does not have an adequate segregation of duties regarding its accounting and reporting system to maintain a complete system of internal control.

This was a finding in the current year also. See 12-1 in the current year.

Section II. Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III. Management Letter

No Management letter was issued in the prior year.

EAST CARROLL PARISH CLERK OF COURT
LAKE PROVIDENCE, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

East Carroll Parish Clerk of Court hereby submits the following corrective action plan as referenced in the Findings and Questioned Costs:

- 12-1. The current Clerk will take reasonable steps to separate duties between personnel to ensure that *internal controls are maintained as effectively as possible with limited staff. It does not appear to be* cost effective for the Clerk to hire additional personnel to resolve this problem.